

# The New Medicare Law *and you*



## Timeline for Medicare Changes

### 2004-2005

Medicare drug discount card available from June 2004 through 2005. Card includes \$600-a-year credit for eligible low-income enrollees.

### January 2005

Medicare Part B annual deductible increases from \$100 to \$110, and rises yearly afterward.

### November 15, 2005 through May 15, 2006

First enrollment period to sign up for the new Medicare drug benefit.

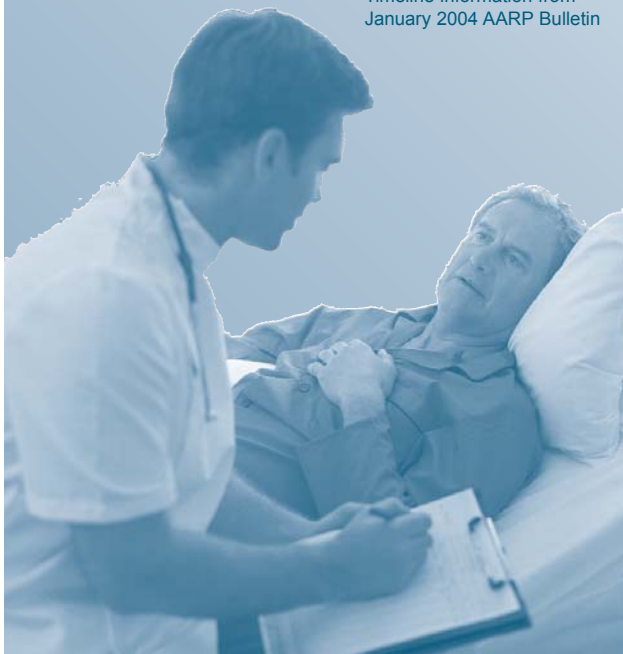
### January 2006

New Medicare drug benefit program goes into operation.

### January 2007

Higher income beneficiaries begin paying more for Medicare Part B premiums.

Timeline information from January 2004 AARP Bulletin



## Information from State Representative **Trent VanHaaften**

In December of 2003 the President signed into law a Medicare reform bill that will be the largest revamp in Medicare history. This law contains numerous changes including a prescription drug benefit in 2006.

Under the new law Medicare recipients will have the choice to enroll in new options including:

**Discount Drug Cards**—Enrollment in this option began in May of 2004 and will continue through December of 2005. Medicare will contract with private companies to offer drug cards that could save people 10 to 25% on prescription drugs until the new Medicare prescription drug benefit starts in 2006.

Individuals with an income of \$12,569 or less and married couples with a combined income of \$16,862 or less may qualify for a \$600 credit on their discount card each year.

**Preventive Benefits**—Beginning in 2005, new benefits will include blood tests for early detection of cardiovascular disease and screening tests for individuals at risk of diabetes.

**Prescription Drug Plans**—Beginning in 2006, an option will be added to Medicare that will allow individuals to enroll in various plans to cover prescription drugs. Under this option you will choose a plan and pay a premium of approximately \$35 per month. Then after a \$250 deductible, Medicare will pay 75% of the costs between \$250 and \$2,250.

Some drug plans may have additional options to assist with out-of-pocket costs and extra help will be available to individuals with low incomes and limited assets.

To learn more please read the comprehensive information at [www.medicare.gov](http://www.medicare.gov) or call 1-800-633-4227.



Information from  
State Representative

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## Medicare Fraud

It could be a friendly voice on the phone, or someone nice at the door. "Have you heard about the new Medicare Prescription Drug Cards? We can sign you up for yours right now. All we need is your Medicare number..." This tactic has worked in many states, including Indiana: Seniors innocently give information to strangers and end up the victim of Medicare fraud.



With the announcement of the drug card program I have described on the opposite side of this postcard, a number of potential drug card scams have arisen. Medicare beneficiaries and their family members should be cautious when approached to buy a discount drug card, and should keep the following in mind:

- ◆ Never share personal information such as a bank account number, social security number or Medicare number with any individual who calls or comes to the door claiming to sell any Medicare related product.

- ◆ All card programs approved by the Centers for Medicare & Medicaid Services will bear the Medicare Rx seal.



- ◆ Marketing and enrollment for the Medicare-approved discount drug card program began in May, 2004. Card sponsors will advertise their cards on television, radio, newspapers and direct mail. No individual should receive a call from a card sponsor unless he or she has requested further information from an ad or direct mail piece.

**If you suspect Medicare fraud, call 1-800-986-3505.**

**Rep. Trent VanHaaften**

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